Advance Auto Parts

1401 E 11th St | Siler City, NC 27344

Retail
Investment Opportunity
Offering Memorandum

MATTHEWS™

Exclusively Listed By

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Property Overview

Advance Auto Parts
1401 E 11th St, Siler City, NC 27344

Investment Highlights

Property Highlights

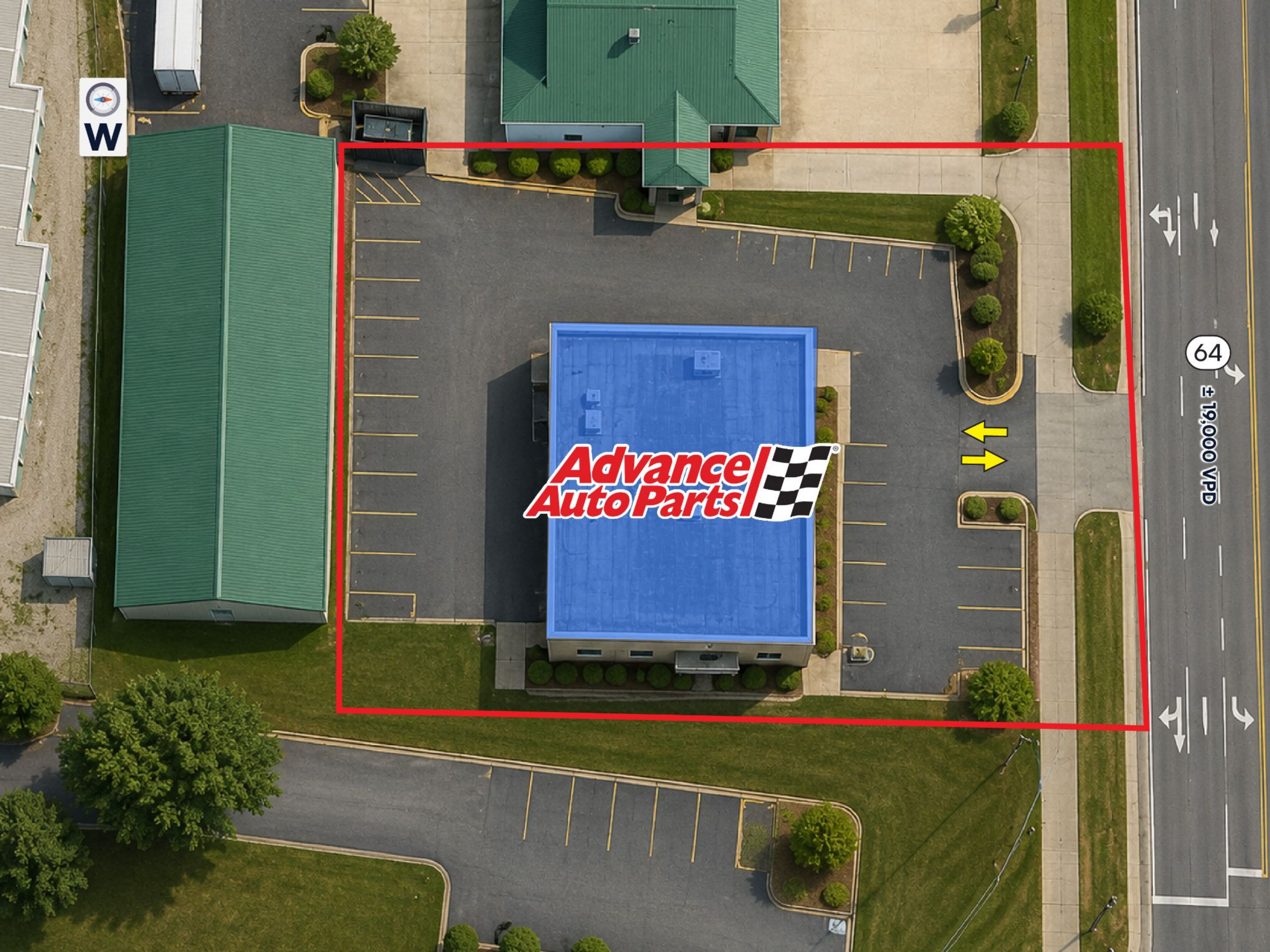
- **Attractive Entry Pricing** – Offered at $642,000, this asset presents a competitively priced NN lease opportunity in the current market, providing investors a compelling entry point well below replacement cost with strong potential for long-term appreciation.
- **Corporate-Guaranteed NN Lease** – Advance Auto Parts (#4104) operates under a double-net lease structure with corporate guarantee, placing the majority of property expenses on the tenant and delivering investors a largely passive, management-free income stream.
- **Nationally Recognized Auto Parts Retailer** – Advance Auto Parts has long been a prominent player in the U.S. auto parts market, operating thousands of stores across North America and providing brand recognition and operational consistency that supports ongoing store performance.
- **Internet-Resistant Tenant Category** – Auto parts retailers benefit from immediate, in-person demand that insulates them from e-commerce disruption, making this asset class one of the more resilient retail categories in today's evolving market landscape.
- **5 Years of Remaining Term** – The existing lease provides near-term cash flow certainty, while the below-market price point positions a future investor or owner-user to capitalize on a potential lease renewal or re-tenanting at market rents given the property's strong location fundamentals.

Investment Highlights

Location Highlights

- **Positioned Along Siler City's Primary Commercial Corridor** – Located on E. 11th Street (US-64), the primary commercial artery running through Siler City, the property benefits from extended operating hours seven days a week, serving a broad and consistent customer base.
- **High-Visibility, Accessible Location** – Situated along US-64 (E. 11th Street), the property benefits from strong daily traffic exposure and convenient ingress/egress, enhancing customer accessibility and reinforcing long-term tenant performance.
- **Explosive Regional Economic Growth** – Chatham County is experiencing a historic wave of growth, anchored by two transformative projects — Wolfspeed and VinFast — which together represent $9 billion in investments and 9,000 new jobs. Wolfspeed alone is building a 2.2-million-square-foot facility in Siler City expected to employ 1,800 people, driving significant population and workforce expansion directly in the subject property's trade area.
- **Growing Zip Code & Trade Area** – The 27344 zip code has an estimated population of nearly 20,000 residents, growing from approximately 15,800 in 2000, reflecting sustained long-term demand for local retail services.
- **Surrounding Demand Generators** – The property is proximate to major demand drivers including Jordan-Matthews High School, Chatham Middle School, UNC Health Care Chatham Hospital, Walmart, and several national QSR brands, ensuring a built-in and recurring customer base.
- **Proven Auto Parts Market Fundamentals** – The auto parts sector continues to benefit from an aging national vehicle fleet, rising repair costs, and sustained DIY consumer demand, all of which support the long-term viability of this use at this location regardless of tenancy.

Siler Crossing
TSC TRACTOR SUPPLY CO
Ford
Akira
belk
State Farm
Biscuitville
TRIANGLE FITNESS 24/7
CIRCLE K
Walmart Supercenter
Bojangles
W
FOOD LION
BURGER KING
HARBOR FREIGHT
Quality Tools at Ridiculously Low Prices
CENTRAL CAROLINA COMMUNITY COLLEGE
Central Carolina Community College: Siler City Center
±7,100 Students | ±1,000 Employees
Days Inn BY WYNDHAM
SONIC
KFC
CVS pharmacy
Windsor Arms Apartments
±32 Units
Domino's Pizza
ABC STORES
SILER CITY SELF STORAGE
Sir Pizza
64
± 19,000 VPD
Advance Auto Parts
Subject Property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Advance Auto Parts
64
± 19,000 VPD

1401 E 11th St
Siler City, NC 27344

±6,000 SF
GLA

1992/2024
Year Built/Renovated

±19,000
Vehicles Per Day

NN
Lease Type

Financial Overview

Advance Auto Parts
1401 E 11th St, Siler City, NC 27344

Financial Summary

$642,000 List Price	**7.00%** Cap Rate	**±0.69 AC** Lot Size

Property Details

Tenant	Advance Stores Company, Inc.
Rent Commencement	April 1, 1992
Lease Expiration	September 30, 2031
Original Lease Term	10 Years
Lease Term Remaining	5 Years
Options Remaining	Two (2), 5 Years
Lease Type	Double Net (NN)
Roof & Structure	Landlord Responsible
HVAC	Landlord Responsible
Parking Lot	Landlord Responsible
NOI	$45,000
Right of First Refusal (ROFR)	No

Annualized Operating Data

Lease Year	Start Date	Annual Rent	Rent Per SF	Cap Rate
Years 1 - 5	10/1/2024	$45,000	$7.50	7.00%
Option 1	10/1/2031	$45,000	$7.50	7.00%
Option 2	10/1/2036	$45,000	$7.50	7.00%

TENANT SUMMARY

Year Founded
1932

Headquarters
Raleigh, NC

Ownership Status
Publicly Traded

Employees
±62,800

Locations
±4,700

Credit Rating
S&P: BB

Annual Revenue
$9.09 Billion

Advance Auto Parts®

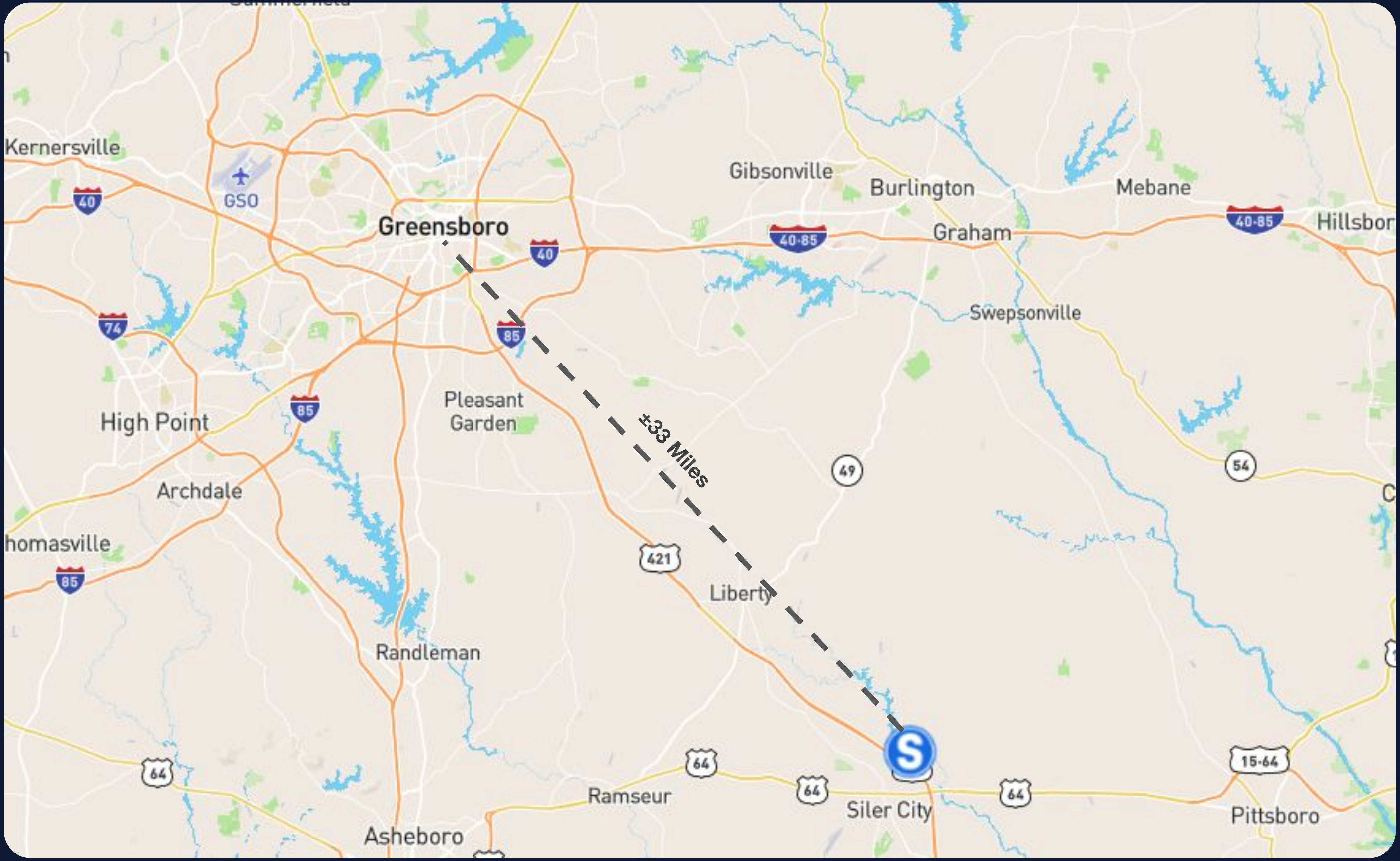
Tenant Overview
Advance Auto Parts operates over ±4,700 stores across North America. The lease is guaranteed by Advance Stores Company, Inc., currently rated BB with a stable outlook by S&P Global Ratings, underscoring strong liquidity and operational performance.

Why Invest in Advance Auto Parts?

- Trusted National Brand: A widely recognized name in the automotive aftermarket with over ±4,700 stores and an expansive network of Carquest and independent locations.
- Stable Revenue and Market Demand: Generates over $9 billion in annual revenue, supported by resilient demand across DIY and professional customer segments
- Operational Restructuring Underway: A multi-year transformation plan—focused on store optimization, cost reduction, and supply chain consolidation—is expected to enhance margins and long-term profitability.
- Strategic Refocus via Asset Sale: The $1.5 billion divestiture of its Worldpac unit strengthens the balance sheet and allows focus on core retail operations.
- Credit Ratings with Upgrade Potential: Currently rated BB (S&P) and Ba3 (Moody's) with stable liquidity and restructuring initiatives offering potential for future improvement.
- Tailwinds from Aging Vehicle Fleet: The increasing average vehicle age in the U.S. supports long-term demand for aftermarket parts and services.
- Retail Adaptability: Leveraging digital platforms, loyalty programs, and customer analytics to drive engagement and sales efficiency.

Market Overview

Advance Auto Parts
1401 E 11th St, Siler City, NC 27344



Siler City , NC

Local Market Overview

Siler City, North Carolina, is a growing community in Chatham County that offers a small-town atmosphere with convenient access to larger employment centers in the Piedmont region. Residents benefit from a central location near Greensboro, Raleigh, and the Research Triangle area, providing access to a wide range of jobs, services, and amenities. The town continues to attract new residents and investment while maintaining its community-focused character.

The local economy is supported by a diverse mix of manufacturing, agriculture, healthcare, education, and retail sectors. Several employers operate in and around Siler City, contributing to a stable employment base. Ongoing economic development efforts and business investment have helped support job growth and commercial activity in the area.

Siler City also offers parks, recreational facilities, local events, and access to outdoor activities throughout Chatham County. Community improvements, infrastructure investment, and nearby growth in the region continue to enhance the area's appeal. Its combination of affordability, accessibility, and economic opportunity makes Siler City an attractive place to live and work.

Property Demographics

Population	1-Mile	3-Mile	5-Mile
Five-Year Projection	3,856	11,416	14,119
Current Year Estimate	3,789	11,158	13,652
2020 Census	3,897	11,259	13,630
Growth Current Year-Five-Year	1.76%	2.31%	3.42%
Growth 2020-Current Year	-2.78%	-0.90%	0.16%
Households	**1-Mile**	**3-Mile**	**5-Mile**
Five-Year Projection	1,415	4,180	5,316
Current Year Estimate	1,411	4,135	5,192
2020 Census	1,402	4,004	4,928
Growth Current Year-Five-Year	0.26%	1.08%	2.40%
Growth 2020-Current Year	0.68%	3.27%	5.35%
Income	**1-Mile**	**3-Mile**	**5-Mile**
Average Household Income	$69,189	$78,271	$82,086

GREENSBORO, NC

Market Demographics

299,000
Total Population

118,000
# of Households

50.3%
Homeownership Rate

148,550
Employed Population

34.1
Median Age

$221,300
Median Property Value

Local Market Overview

Greensboro, located in the heart of North Carolina's Piedmont Triad, is a dynamic and steadily growing city recognized for its diverse economy, skilled workforce, and strong overall quality of life. The community continues to attract both residents and businesses, driven by a well-rounded mix of industries that includes advanced manufacturing, logistics, healthcare, education, and an increasingly robust retail sector. Retail growth in particular has been fueled by population expansion, rising consumer demand, and continued investment in shopping centers, mixed-use developments, and experiential destinations that serve both local residents and the surrounding region.

The city's strategic position along major interstate corridors enhances connectivity and supports its role as a regional hub, offering convenient access to larger metropolitan areas such as Charlotte, Raleigh, and Winston-Salem. This accessibility not only benefits distribution and logistics operations but also strengthens Greensboro's retail trade area by drawing consumers from neighboring communities.

Local Economy

Greensboro's economy is a mix of traditional manufacturing and emerging service industries that together provide a stable foundation for long-term growth. Once recognized primarily for its textile and furniture production, the city has diversified into advanced manufacturing, logistics, aviation, and healthcare. Major employers such as HondaJet, Volvo Trucks, Cone Health, and the Guilford County School System contribute to a broad employment base, while industrial development along key corridors continues to attract distribution and supply chain operations due to Greensboro's central location and interstate access. The labor force remains resilient, supported by workforce training initiatives and a relatively low cost of doing business, which make the area appealing for both established corporations and new ventures.

Future Growth and Development

Greensboro is poised for significant growth fueled by infrastructure investment and major industrial expansions. The nearby Toyota Battery Manufacturing plant and Boom Supersonic's new aerospace facility are expected to generate thousands of jobs and strengthen the city's role as a manufacturing and innovation center. Downtown revitalization projects, mixed-use developments, and enhancements around the Piedmont Triad International Airport are further boosting residential and commercial interest. With continued population growth, business-friendly policies, and a strong educational foundation, Greensboro is well-positioned to attract both talent and investment, ensuring a vibrant and competitive regional economy for years to come.

Higher Education and the UNC System

Higher education is a key contributor to Greensboro's economy, led by UNC Greensboro (UNCG). The university enrolls more than ***18,000 students*** and is one of the city's largest employers, supporting thousands of faculty and staff positions. UNCG generates significant economic activity through research funding, student spending, and university operations while supplying graduates in high-demand fields such as business, healthcare, education, and technology. As a public research university, UNCG also partners with local employers to strengthen workforce development, innovation, and regional economic growth.

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2. You will hold it and treat it in the strictest of confidence; and

3. You will not, directly or indirectly, disclose or permit anyone else to disclose this Offering Memorandum or its contents in any fashion or manner.

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If you wish not to pursue negotiations leading to the acquisition of the Property or in the future you discontinue such negotiations, then you agree to purge all materials relating to this Property including this Offering Memorandum.

A prospective purchaser’s sole and exclusive rights with respect to this prospective transaction, the Property, or information provided herein or in connection with the sale of the Property shall be limited to those expressly provided in an executed Purchase Agreement and shall be subject to the terms thereof. In no event shall a prospective purchaser have any other claims against Owner or Matthews™. or any of their affiliates or any of their respective officers, directors, shareholders, owners, employees, or agents for any damages, liability, or causes of action relating to this solicitation process or the marketing or sale of the Property.

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